

Background on House Bill 31 Committee Substitute and Eminent Domain

Eminent Domain is the power to take private property for public use by a state or municipality, as long as just compensation is provided to the landowner. Government may grant the power of eminent to private persons, corporations or businesses that serve a public use, which for the most part this means utilities that provide water, electricity, etc. to the public.

However, the Kentucky General Assembly has at times extended eminent domain power to non-utilities that do not provide a public use. Specifically, corporations, partnerships or individuals “operating oil or gas wells or pipelines for transporting or delivering oil or gas,” have been given **special treatment** by legislators and may use eminent domain against landowners.

House Bill 31 Committee Substitute, by clarifying that natural gas liquids DO NOT fall under the definition of "oil or gas" and "oil and gas products,” would assure that private pipelines like the proposed Bluegrass Hazardous Liquids Pipeline, that would provide no public use, aren’t given the same special treatment as oil and gas companies to condemn land.

House Bill 31 Committee Substitute is currently being considered by the House Judiciary Committee, which may vote on the legislation on Wednesday, February 26.

Among the committee members who need to hear from constituents are two from Lexington:

Rep. Robert Benvenuti III

2384 Abbeywood Rd
Lexington KY 40515
Home: (859) 421-1464 Annex: (502) 564-8100 Ext. 628
Email: www.lrc.ky.gov/Messages/H088.aspx

Rep. Stan Lee

PO Box 2090
Lexington KY 40588
Home: (859) 252-2202 Home: (859) 259-2927 (fax) Annex: (502) 564-8100 Ext. 698
Email: www.lrc.ky.gov/Messages/H045.aspx

ACTION – Contact these legislators with this message: *Please support House Bill 31 to allow landowners to protect their property from condemnation by private hazardous liquids pipelines.*

Ways to contact legislators:

- call their home number to talk with them directly.
- call their legislative office in Frankfort (502-564-8100) and ask to speak with them.
- call the Legislative Message Line (800-372-7181) and an operator will take your message. The message line is open 7 a.m. to 11 p.m. Monday - Thursday, and until 6 p.m. on Fridays.
- send them an email (some legislators are better than others about reading and responding to emails; some require that you use an online form).

Thanks for Taking Action

Protect Our Land from Condemnation by Private Companies Where There is No Public Use

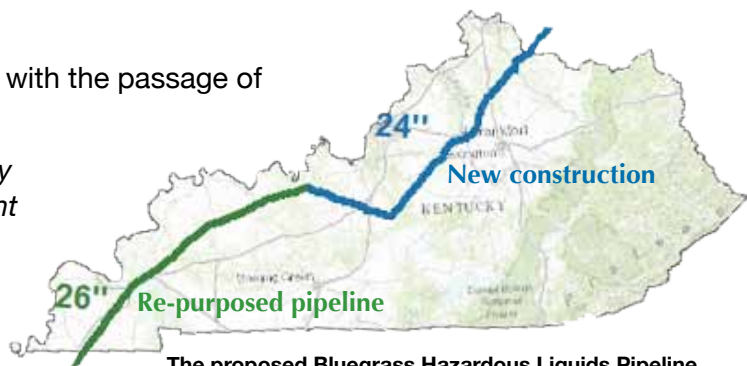
The proposed Bluegrass Hazardous Liquids Pipeline has brought to light some lack of clarity in Kentucky's statutes regarding the use of eminent domain. While some attorneys believe that private companies like Bluegrass Pipeline LLC would not have authority to condemn land for a project that provides no direct benefit to Kentuckians, the company has stated publicly and privately (to landowners) that it believes it does have this power, and would use it if necessary.

Many landowners do not want this pipeline across our land, yet feel pressured to "accept a deal" under the threat that the company will condemn the property if we refuse to sign an easement contract. Legislation is needed to clarify that private companies providing no direct benefit to Kentuckians do not have eminent domain powers.

The General Assembly stated its intent in this regard with the passage of legislation (House Bill 508) in 2006.

*Every grant of authority contained in the Kentucky Revised Statutes to exercise the power of eminent domain shall be subject to the condition that the authority be exercised only to effectuate a **public use** of the condemned property.*

No provision in the law of the Commonwealth shall be construed to authorize the condemnation of private property for transfer to a private owner for the purpose of economic development that benefits the general public only indirectly, such as by increasing the tax base, tax revenues, employment, or by promoting the general economic health of the community. (KRS 416.675)



The proposed Bluegrass Hazardous Liquids Pipeline

"Here is my experience with the Bluegrass Pipeline representative ... I said we were not interested in letting them survey or giving them an easement ... He said that they would try to avoid using eminent domain as much as possible, but if it came down to it, yes they would.

Being told that this company will use eminent domain for a pipeline that will not benefit me or the citizens of the Commonwealth of Kentucky is unethical. I hope that our state leaders will defend our rights!"

Scott County landowner

"I was misled by a company representative and a county magistrate who told me this was a gas line. I was told that if I did not allow the company to survey my property, I would be taken to court, and they would win.

"Clearly, the threat of eminent domain was being misused to manipulate me. Eminent domain is a governmental power that should only be used sparingly and only when the project is of direct benefit to the citizens of Kentucky."

Woodford County landowner

Support the solution to this problem with the passage of Senate Bill 14 or House Bill 31 HCS

"[E]minent domain should be reserved for utilities and other projects that serve Kentuckians directly."

Senate Resolution 25, adopted August 23, 2013